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KPAL, G8, BM, PK, AF, NK, IR, IS, ZI, SU, LE, UK, RS, FR,
CA, IT, JA

SUBJECT: (U) Secretary Rice's June 26-27 Participation in
the G8 Foreign Ministers Meeting, Kyoto, Japan

[1](#)1. (U) Classified by: Uzra Zeya, Deputy Executive
Secretary, S/ES, Department of State, Reasons 1.4 (b) and
(d).

[1](#)2. (U) June 27, 2008 at 18:00, and June 28, 2008 at
09:30; Kyoto, Japan.

[1](#)3. (U) Participants:

U.S.

The Secretary
U/S Bill Burns
A/S Christopher R. Hill, EAP
Lt. Gen. William Fraser
Evan Reade (Embassy Notetaker)
Phil Cummings (Embassy Notetaker)

JAPAN

Foreign Minister Masahiko Koumura
Kenichiro Sasae, Deputy Foreign Minister for Political
Affairs
Makita Shimokawa, Chief of Staff to the Foreign Minister
Takehiro Funakoshi, Principal Sr. Foreign Policy Advisor

GERMANY

Foreign Minister Frank-Walter Steinmeier
Dr. Volker Stanzel, Director General for Political Affairs
Jens Plogner, Deputy Head of Foreign Office
Daniel Kriener, Deputy Division Head

FRANCE

Foreign Minister Bernard Kouchner
Gerard Araud, Dep. Sec. General and Political Director
Philippe Errera, Advisor for G-8
Philippe Faure, Ambassador to Japan

UNITED KINGDOM

Foreign Minister David Miliband

Mark Lyall-Grant, Director General for Political Affairs
Paul Williams, Head of Europe Global Group
David McFarlane, Minister's Private Secretary

ITALY

Foreign Minister Franco Frattini
Giulio Terzi di Sant'Agata, Political Director
Alain Maria Ecomomides, Chief of Cabinet
Mario Boba, Ambassador to Japan

CANADA

Foreign Minister David Emerson
Colleen Swords, Assistant Dep. Minister, Political Dir.
Barrett Bingley, Assistant to Foreign Minister
Ron Jarson, Director of Foreign Policy Planning Div.

RUSSIA

First Vice Minister Andrei Denisov
Sergei Kislyak, Deputy Foreign Minister

SLOVENIA (EU Presidency)

Minister of Foreign Affairs Dimitrij Rupel
Matjaz Sinkovec, State Secretary

EU COUNCIL

Robert Cooper, Dir. Gen. for External and Pol-Mil Affairs
Bruno Scholl, Coordinator of Political and Security
Committee

EUROPEAN COMMISSION

Karel Kovanda, Dep. Dir. General for External Relations
David Tirr, Head of Unit, European Correspondent
Stefan Huber, Minister Counselor
Dominic Al-Badri, Political Analyst

¶4. (C) SUMMARY: The G8 Foreign Ministers met in Kyoto on June 26-27. At a working dinner on June 26 attended by Principals plus Political Directors, the topics of Burma, Afghanistan, and Pakistan were discussed. The next morning the issues of North Korea, Iran, the Middle East Peace Process, and Lebanon were taken up. The meeting closed with a working lunch during which Zimbabwe and Sudan were covered. The Chairman's Statement, as well as the G8 Foreign Ministers Statement on Zimbabwe and the G8 Foreign Ministers Statement on Afghanistan, can be found on the Japanese MOFA's website at mofa.go.jp/policy/economy/summit/f_kyoto08/in dex.html.
END SUMMARY.

BURMA

¶5. (C) In the Japanese-led discussion on Burma, G8 members noted the lackluster cyclone response by the Burmese government, which led to an unnecessary loss of life, in order for the Burmese regime to preserve the illusion that the country did not need international help. Several members, including Italy, pushed for a formal UN statement on the regime's lack of transparency in accounting for its use of international humanitarian aid, stating the international community was facing a credibility test. Japan called for incentives to promote change by the Burmese regime.

¶6. (C) Secretary Rice, the Canadians, and the British favored adding stronger language to the G8 chair's statement addressing long-term political reforms and the regime's failure to provide an adequate response to the cyclone. The Japanese noted concern with the growing influence of China and India, neither of which promoted democratic governance in Burma. Secretary Rice, the French, the Russians, and the British proposed reaching out to ASEAN and China to apply pressure on the regime. The Russians were alone in calling for limited UN actions and "balance" in the G8 statement by noting a small but

significant trend of improvement in the regime's disaster relief response.

PAKISTAN-AFGHANISTAN

¶17. (C) Participants were united in their concern over the rise of extremism in the Federally Administered Tribal Areas (FATAs) along the Afghanistan/Pakistan border, and over increasing political instability in Pakistan. There was general agreement on increasing G8 member state assistance in healthcare, education, border security, and economic stabilization. The UK called for action to weaken the pervasive role of the military in the Pakistani government and to strengthen the role of civil society. The Italians were strongly in favor of reviving the Potsdam Process, where the leaders of both Afghanistan and Pakistan were invited to the G-8 to foster cooperation on economic development in the border region. Participants expressed support for greater dialogue between Afghanistan and Pakistan in order to diffuse growing political and military tensions. The Canadians proposed more aid and training to combat the narcotics trade, and together with Russia warned that short-term accommodation of extremists in Afghanistan ultimately destabilized both Afghanistan and Pakistan.

¶18. (C) The British also proposed enlisting Saudi Arabia and China, both of which had strengthened business, military, and grassroots ties, to jointly promote G-8 priorities in the region. The Italians and Canadians called for strengthening the rule of law in Afghanistan by introducing programs to reduce judicial corruption. Secretary Rice also noted problems with police corruption. Several members expressed frustration with President Karzai for slow progress on many reform fronts, and for the corruption of members in his inner circle, but Secretary Rice and others noted that Afghanistan had come a long way in its civil and political development since ¶2001. The EU Council proposed distributing more official direct assistance through local institutions rather than international NGOs to boost the standing of local governments.

NORTH KOREA

¶19. (C) Japanese FM Koumura led the discussion on North Korea by noting the resolution of the North Korea nuclear issue was an important challenge for the international community and called for continued support for the Six-Party Talks process. He welcomed the North's declaration of its nuclear programs but cautioned that a verification regime must now be crafted and implemented. As for Japan-North Korea relations, Koumura reported negotiations had

resumed on investigating the cases of Japanese citizens abducted by the North.

¶10. (C) Secretary Rice concurred that while the submission of the North's declaration was an important step, the creation of a verification protocol was even more important. She predicted that Phase III of the Six-Party Talks would be difficult as we must be certain that the North accounted for, declared, and disabled its nuclear program. Other important issues also remained, she added, noting missile proliferation, the ongoing humanitarian crisis, and the abduction issue, which was not just an issue between Japan and North Korea, but an issue between the United States and the North, as well. She reminded the other participants that North Korea remained the most closed and dangerous regime on earth and that there must be a concerted effort to make it clear to

the North that we expected them to fulfill their obligations and that everyone was watching.

¶11. (C) Following the Secretary's remarks, FM Koumura invited EAP Assistant Secretary Hill to report on recent developments. A/S Hill stated the process had been a long one and that much difficult work remained ahead. Verification principles must be established and fashioned into a process; the North must grant access to nuclear materials, sites, and personnel. He said we were not playing a game of trust with the North. Rather, we were playing a game of serious verification. He predicted that Phase III would see much more multilateral negotiations, rather than bilateral talks with the North, and said that once the abandonment stage was reached, the other nuclear powers would also need to be involved. The Secretary then touched on the recent measures taken by the United States to rescind North Korea's designation as a State Sponsor of Terrorism (SST) and lift the application of the Trading with the Enemy Act. She explained that very little had been given up and that means of pressure remained.

¶12. (C) The EU Presidency commended A/S Hill and said the progress achieved to date was a great success for the international community. He stressed this success was the result of engagement rather than isolation. With regard to the humanitarian crisis, he noted the need to focus on "small items," such as leniency for North Koreans crossing into China in search of food, in addition to the "big" nuclear issue. French FM Kouchner focused on the humanitarian dimensions of the situation in the North, highlighting the lack of food, the resulting starvation, malnutrition, and disease, and said that even if hospitals existed to treat the sick, there were no means to transport the ill to them. He said that North Korea must agree to grant access to international aid organizations, particularly those associated with the UN. In addition, efforts must be made to inform the North Korean population that our intention was to help them, not to hurt them. He

decried DPRK propaganda that made its people believe that international food aid was poisoned. EC Representative Kovanda pointed out that the EU maintained a small technical cooperation office in the North but agreed with Kouchner that international aid organizations lacked access and that there was no information available on crop production nor an assessment of the overall situation.

¶13. (C) Responding to an inquiry from Germany about whether scholarships for North Korean students should be offered, Secretary Rice said that none of us would feel comfortable as long as the North remained closed as the last Stalinist regime in the world. Efforts to promote cultural, educational, and sporting exchanges should be promoted, even though it was very doubtful the regime would let its citizens participate. Russia indicated it strongly supported Japan's desire to resolve the abduction issue and urged the Chair's statement be strengthened to include using President Bush's language that this issue must be resolved. VM Denisov also called for stronger language on the North's need to fully participate in the verification process. FM Koumura thanked Russia and others for their support on the abduction issue and again urged the members of the G8 to support the on-going work of the Six Parties.

IRAN

¶14. (C) French FM Kouchner led off the discussion by stating all members of the G-8 shared concerns about Iran's nuclear program. The most recent report by IAEA Director El Baradei and the outcome of the most recent Board of Governors meeting strongly indicated Iran continued to work toward the development of a nuclear weapons capability. This, coupled with Iran's continued

work on ballistic missile technology, could lead to a worst-case possibility: a nuclear armed Iran. The P5-plus-one had been trying to make progress with the Iranians, but Tehran did not seem to want to hear that we were not opposed to the development of a peaceful nuclear program. As a result, the dual-track approach -- combining sanctions and incentives -- was the only approach open to us. The recent visit to Tehran by Javier Solana and five of the six political directors meant we were in a more delicate situation now, said Kouchner, who commented that "we'd received Iran's answer to our new proposal before we arrived when the Iranians announced they planned to bring 6,000 more centrifuges on line." Our central objective must continue to be to convince the Iranians, both the public and the political elite, that we were not opposed to a civil program and that sanctions would continue to mount unless they ceased their uranium enrichment activities.

¶15. (C) The Secretary concurred and said she was hopeful we had done a better job of getting through to the Iranian people with the publication of our latest offer. However, the fact was that the Iranians continued to advance their program, and others in the region were becoming more and more nervous. There was a real danger that the Israelis would soon become convinced that we could not halt Iran's program through diplomatic means. She stressed that if Iran obtained a nuclear weapons capability, a difficult region would become a chaotic region. Iran, she said, is the most difficult issue facing the international community.

¶16. (C) German FM Steinmeier agreed that Iran's nuclear program was not just a concern to the G8 but to the neighbors as well. He suggested that Iran was also afraid that perhaps its influence in other parts of the region would wane if, for example, the Syrians and Israelis reached an accord, or if Hamas and Fatah reconciled, or if the situations in Lebanon and Iraq became more stable. Accordingly, this gave Iran an incentive to continue its nuclear program in order to maintain influence. Germany, he said, was skeptical about what Iran's response would be to the P5+1 offer; if the response ultimately received was not positive, further steps by the Security Council would have to be considered.

¶17. (C) EU High Representative Solana did not expect a breakthrough from Tehran, said EU Council Representative Cooper, who pointed out that the Iranian default position to any offer was to reject. "Rejecting offers is easier than responding or agreeing in a consensus-based system." However, both the government and the media were clearly impressed by the presence of the political directors, particularly those from China and Russia, and by the fact that the Secretary had also signed the letter conveying the offer. Hopefully, a debate within Iran would be launched as a result. Italian FM Frattini agreed that it was easier for Iran to simply reject all offers because once it accepted, it must negotiate and then fulfill commitments. Italy, he said, supported taking a resolute and firm approach and sanctions that were effective and achievable. However, our contacts with Iran must be calibrated to avoid conveying the message to a nationalistically-sensitive populace that the world was somehow out to get them. Italy understood Israel's concerns, but believed an attack on Iran would be catastrophic and ultimately ineffective and urged that voices be raised against this option.

¶18. (C) British FS Miliband said that although we had not achieved a breakthrough on Iran, the conveyance of the latest offer had at least established a bridgehead. Two things must now be done, he said: increase the international consensus against Iran and tighten the screws. The first should involve widening the

international consensus against Iran's nuclear ambitions by bringing in other countries as well, such as India, South Africa, and Brazil. Our ambassadors in these and other countries should be engaged in joint demarchis and public diplomacy events to stress the consensus. We must also continue to build consensus in our own countries and also within Iran using cultural, diplomatic, and sporting events to convince the Iranians that "their other vital interests are being harmed by immovable and stubborn officials," a phrase he quoted from an interview recently given by a former deputy in Iran's nuclear program. As for tightening the screws, increased IAEA involvement was called for. At the September meeting of the Board of Governors it must be clear that we were all standing together. In addition, we must build on the actions taken already by the UNSC. Resolution 1803 should be enforced and built upon.

119. (C) The Russian delegation said it had always stressed to the Iranians that the P5-plus-one were standing firmly together. Japanese FM Koumura reported briefly on Prime Minister Fukuda's recent meeting with President Ahmadinejad, at which Fukuda conveyed the will of the international community that Iran comply with the Security Council resolutions and cease its uranium enrichment activities.

MIDDLE EAST PEACE - LEBANON

120. (C) The Secretary led this session by confirming that the Annapolis conference had launched three important tracks. The first track involved improving the daily lives of the Palestinians, particularly those in the West Bank. There had been some progress in Jenin, where security responsibilities had passed from the Israelis to the Palestinian police. The Fayyad government was dedicated to this process, whereby Palestinian police stepped in, the Israelis stepped back, increased economic activity followed, and access improved. She acknowledged the process had seen some ups and downs involving Israeli incursions and less freedom of movement than we would like. The second track involved intensified efforts to implement the Roadmap Agreement. We were monitoring how the parties were meeting their Roadmap obligations. There was a long way to go before the Palestinians could meet their security obligations, and perhaps even a longer way to go with regard to Israeli settlement activities. The Secretary said she had held several trilateral meetings with Prime Ministers Olmert and Fayyad to discuss the Roadmap obligations in great detail. The third track, she explained, was the negotiations track. Abu Alaa and FM Livni had agreed these negotiations must be held in private as they were discussing the most sensitive of issues, including settlements, territory, borders, water,

security, and ultimately, Jerusalem. They had held serious discussions and serious expert-level work was taking place. The Secretary said she still held out hope that a peace agreement could be achieved by December. The difficulty was to convince others, and particularly the Arabs, that real progress was being made.

121. (C) With regard to Gaza, the Secretary acknowledged that the Palestinian Authority was not in control, and this presented a problem. However, the Egyptian-negotiated "calm" showed promise and could be built upon. The Syrian-Israeli track, which was being moderated by the Turks, at the very least gave a more comprehensive view of the process. The most important thing to do at this time, said the Secretary, was to maintain momentum. The Annapolis conference, followed by meetings in Paris, Bethlehem, Berlin, and a coming meeting in Moscow, would keep the international community focused on the goal. The parties remained committed to making progress, and despite the difficult internal political situations faced by both,

continued to push ahead toward an agreement that would be popular with both Palestinians and Israelis.

¶22. (C) Italian FM Frattini reported that the recent Lebanese presidential election was a turn for the better and it was necessary to take advantage of this as we concentrate on the future. Prime Minister Siniora had yet to form a government, but he was committed to the process despite the difficulty in selecting ministers. The Doha Agreement would be difficult to implement, but needed the support of the international community, which must see it as a package. We could not talk about disarming the militias without concurrently strengthening the Lebanese armed forces. Daily living conditions must be improved, particularly in the Palestinian camps. The UNIFIL mission was important and should be continued, but its effectiveness on the ground could be improved with better understanding on the rules of engagement and other issues. Frattini urged the G8 to encourage Israel to show readiness to discuss the Sheba Farms issue. Their continued presence in this area gives Hezbollah a pretext for its existence as a force to resist Israeli occupation, adding that it seemed all agreed this small area was not Israeli territory and that UN supervision of this issue was called for.

¶23. (C) Russian Deputy FM Denisov said he agreed with the above assessments and stressed that Russia was working with its Quartet partners to overcome the negative trends in the peace process. He noted an upcoming ministerial in Tokyo between Israel, Jordan, and the Palestinians as a positive development. The Slovenian minister said the EU had been encouraged by the Annapolis process, the activities of the Quartet, the Israel-Syria talks, and the election in Lebanon, but not by the situation in the Palestinian territories. He said the G8 must encourage

the Israelis to take a better attitude toward the building of a viable Palestinian state; settlement activities and roadblocks must stop. The Palestinians must be permitted to develop the institutions of a state, including healthcare institutions. German FM Steinmeier said his country recognized the positive developments mentioned but was not overly optimistic about the situation in Lebanon.

¶24. (C) The French view was that no one should be lulled into forgetting the fact that "progress" was made in Lebanon because Hezbollah took Beirut by force and over 60 people died. It was important to support the Siniora government and to try to extend the agreement between factions that led to the presidential elections. But the facts that an "over-armed and dangerous" Hezbollah remained a force to be reckoned with and that the Christian camp was divided portended difficult times ahead. Likewise, we should not get too carried away by the fact that Israelis seemed to be willing to discuss easing access to Gaza. Kouchner reported that President Sarkozy had been very tough with the Israelis on the issue of settlements during his recent visit, but was encouraged that it was now at least possible to speak of Jerusalem as the capital of two states without having members of the Knesset walk out on him. Kouchner also expressed concern that current Israeli decisions were being taken against the backdrop of internal political uncertainties. He was afraid that if the Israeli government fell, we would be back to square one. He noted with some optimism the existence of a bill in the Knesset to give financial incentives to Israeli settlers to leave their homes and said he believed a significant number of settlers would be willing to do so.

¶25. (C) British FS Miliband touched upon three points. First, the Palestinian financial crisis was an urgent issue. Steps must be taken to ensure the government could continue to function beyond July. Second, while the Jenin model was key to furthering development in the West Bank, continued steps to reform and strengthen the Palestinian

security sector were essential. Third, the process of opening the crossings into Gaza must continue and the G8 must provide support for this.

¶26. (C) FM Koumura wrapped up the discussion by explaining Japan's "Corridor for Peace and Prosperity" initiative and confirmed that Tokyo planned to host a ministerial between Israel, Jordan, and the Palestinians on July 2-3.

CRISIS IN ZIMBABWE

¶27. (C) On the day of contested by-elections, participants made impassioned statements of dismay over

the escalating political and economic collapse of Zimbabwe, once the breadbasket of southern Africa. Secretary Rice, the British, and others forcefully spoke of the threats to regional stability posed by President Mugabe's increased harassment, torture, and killing of the political opposition. Several delegates expressed anger at recent UN and EU violations of the travel ban imposed on the Zimbabwean regime, even while UK and U.S. diplomats were being detained in Zimbabwe.

¶28. (C) The foreign ministers broadly supported publishing a separate statement on Zimbabwe with strong language on imposing sanctions on the country should Mugabe conduct a fraudulent by-election. Secretary Rice stated that Harare's behavior would not be tolerated elsewhere in the world, and that the time had come to stop thinking of Zimbabwe as a problem of backwards Africans incapable of democracy. The Secretary said the United States had run out of patience with South Africa's "quiet talks" and insisted on language in the G8 statement referring to the GOZ as "illegitimate."

¶29. (C) The Russians were the only delegation to oppose the mention of UN sanctions in a separate G8 document on Zimbabwe. They argued for a sober, "balanced approach" to language about Zimbabwe. Although they did not object to a separate statement by the G8, the Russians preferred using the UN for action on Zimbabwe. In response, Secretary Rice said she would consider bringing the matter up in the UNSC on Tuesday.

SUDAN

¶30. (C) Participants underscored the difficulty in finding solutions to the ongoing conflict in Sudan, as well as the potential for regional spillover. Canada requested G8 support in the UN for a renewal of the UNAMID hybrid Africa Union/UN peace keeping operation mandate, which is up for review in July, and for more member states to participate in the mission. The Japanese added their support to UNAMID and the Comprehensive Peace Agreement (CPA). The UK called for an improvement in the quality, not just the quantity, of UNAMID support. Secretary Rice underlined our support for the economic reconstruction in southern Sudan, and our backing of the SPLM, which has made the government of Sudan more efficient. Secretary Rice and FS Miliband warned that the unraveling of the CPA could lead to civil war and emphasized the importance of Chinese cooperation on Sudan. France drew attention to the 400,000 IDPs in Sudan, adding to the general criticism of Khartoum. Japan said it was considering a dispatch to UNAMID if Sudan neglected to comply with relevant UN Security Council resolutions.
RICE